

# ■ EXCELLENCE IN CUSTOMER SERVICE FOR GLOBAL TRADE

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Many American firms have begun to master the skills of customer service as the backbone of profitability, continued growth and — most certainly — competitive advantage. These skills, when applied to global trade, need to be adapted and enhanced to account for the complexities and unique persona of international business. U.S. exporters will grow and prosper in direct proportion to their quality of customer service and this will hold true for small and large businesses alike. One thing is certain: global trade is relationship-driven and quality customer service dictates the quality of the relationship.

## ■ GAINING A COMPETITIVE ADVANTAGE

American exporters face stiff competition in global markets due to many factors. These include proximity of competitive sourcing, pricing pressures, political and cultural differences, currency fluctuations, communication problems, infrastructure imbalances and trade finance restrictions.

American export firms that show creative talents, exhibit patience and persistence, ally with key vendors and master the skills of global trade and international customer service will be poised to reap the rewards of “competitive advantage.” This does not refer to simply providing a price that is competitive. Price sometimes is the most critical issue, but often is just one of many factors that goes into your foreign buyer’s purchasing decision. Other factors — such as convenience, servicing, the sales and marketing factors tied into the transaction, the technical expertise of sales or customer service personnel, or timely communication — can induce a buyer to pay a higher price.

As a general rule, if the pricing from one company to another is within a reasonable range, the company with the larger offering of services will win the sale, even if its price is higher.

## ■ ENGAGING IN QUALITY COMMUNICATION

A critical factor to making all these issues work for you is communication. This can be broken down to three key

disciplines: (1) communicating, (2) responsiveness and (3) persistence.

Different cultures have different rules of communication. To successfully engage in a business transaction across cultures, you must be able to adapt to the norms of the market and not assume that all business is conducted in a “Western” manner. Cultural business etiquette will play an important role in how your prospective customers will respond, how seriously they will take your communication and how successfully you will avoid inadvertently insulting them. A few simple rules can help:

Know something about your buyer’s country and language. While most foreign buyers speak some English, commit yourself to knowing the basic business language of your buyer’s country. You will be respected for the effort and it will give you some insight into negotiations and trade meetings. I maintain a little “cheat sheet” next to my phone. It provides the basics such as “hello,” “good-bye,” and “thank you” in a number of key foreign languages. It goes a long way in developing a better relationship with my overseas customers.

Avoid handwritten communications. All business communications, such as faxes, should be typed. Foreign communication is difficult enough without having to decipher poor handwriting. It also expresses your professional commitment to doing the job correctly.

Responsiveness should be another important element of your customer service effort. It will immediately provoke positive “feelings” on the part of your foreign buyers. Responsiveness means following up in a timely manner after business meetings, acknowledging all communications (even if it’s just to say “I’m working on it”) and meeting all time frames promised. If you need more time, simply communicate it and request an extension. A complaint I often hear is how a poor response, or lack of one, can sour a deal.

Persistence (and patience) should be the third element of your firm’s efforts. American culture expects a timely response and quick decisions. Unfortunately, most of the world operates on a different time frame. Many U.S. firms lose patience because of differences in time expectations and walk away from lucrative opportunities. The success of overcoming this obstacle is persistence.

For example, decisions in Japan are typically lengthy and made by management groups, rather than by individuals. Being too diligent and persistent will cause aggravation and, ultimately, the loss of an opportunity. In the Middle East, persistence is considered a good quality when it is combined with efforts to develop a personal relationship with a buyer. In Latin America, too much follow-up too soon will elicit a lack of response.

#### **BUILDING PERSONAL RELATIONSHIPS**

Persistence is well served when accompanied by efforts to develop a personal relationship with your buyer. In many countries, developing a close personal

relationship ensures that both parties will become long-term partners in trade.

If you have a product that is in high demand, with no competition, then being an order taker is a viable method of operation. But most of us deal with intense foreign competition and we must maximize our opportunities. A key strategy is to develop personal relationships.

Foreign buyers often “buy” from the individual first and the company second. A personal relationship will facilitate the negotiation process and make the transaction easier to accomplish. “Breaking bread,” an expression for having a business lunch or dinner, is often a necessary part of developing sound global business and personal relationships.

Most parties have to like one another before doing business. Breaking the bread, pasta, sushi, knishes, or tacos — and doing all the other things necessary to facilitate the personal relationship you and your potential customers — is one of the key factors in developing your export business.

Just as with any business, problems are likely to occur in international trade: shipping the wrong product, logistics delays, government intervention and cargo claims are all likely problems in normal business dealings. The strength of the personal relationship you have cultivated will carry you through such problems to an eventual favorable resolution.

#### **NEGOTIATING PROBLEMS WITH INTERNATIONAL CUSTOMERS**

Nothing frustrates a customer more than how they perceive they are being treated when a problem occurs. Poor management of a problem is probably the number one reason for a customer to go elsewhere.

Three key steps can help you cope with the inevitable problems that will crop up in any business relationship:

1. **Make Yourself Available.** Be in the face of your customer. The worst thing that you can do is hide or not face up to a problem. When a problem does occur, whether it was under your control or not, be sure to contact the client immediately and determine a feasible solution that satisfies both parties.
2. **Be a “mitigator.”** In sales dialogue with potential global customers, I always emphasize that we are the best “mitigators” in the business. By this I mean that we will immediately initiate steps to resolve a problem as soon as possible. This might mean calling the consignee and advising of the revised ETA, rerouting freight to catch the next flight, or finding a new carrier that can meet delivery requirements.
3. **Engage in follow-up communication.** Following a disaster, make a phone call or visit. Apologize again and again. Emphasize the positive. Take this time to demonstrate how you worked to mitigate the problem and outline steps that will be taken to ensure that it never happens again.

The bottom line is that the business of exporting has certain inherent problems associated with it. How we deal with these problems with our customers will determine not only our ability to maintain one client, but our profitability and opportunities for long-term success. ■

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